

**REVISED ANALYSIS**

Author: Johnson Analyst: Kristina E. North Bill Number: SB 1534  
 Related Bills: See Legislative History Telephone: 845-6978 Original Analysis Date: February 19, 2004  
 Attorney: Patrick Kusiak Sponsor: Roland Boucher

**SUBJECT:** Allow Taxpayers With Income Less Than Specified Amounts To use Form 540 2EZ

☐ REVENUE ESTIMATE CHANGED.  
☐ FURTHER CONCERNS IDENTIFIED.  
☐ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED FEBRUARY 19, 2004,  
☒ STILL APPLIES.  
☒ OTHER – See comments below.

**SUMMARY OF BILL**

This bill would require the Franchise Tax Board to provide taxpayers with the option of using a specific income tax form that they otherwise would not qualify to use.

**SUMMARY OF REVISION**

This revision would address certain departmental costs associated with the bill. The revised FISCAL IMPACT is included below.

The remainder of the department's analysis of the bill as introduced February 19, 2004, still applies.

**POSITION**

Pending.

**FISCAL IMPACT**

This is a preliminary costing. New tax tables to account for the new income limitations, a new tax rate schedule, and revisions to the instructions would increase the number of pages in the tax booklet. The department estimates that this bill would result in an increase of approximately 16-pages to the 540 2EZ booklet. The increase also would result in additional mailing costs. The department estimates that increasing the number of pages in the tax booklet by 16 will cost \$120,000 and that the added weight to the booklets will result in additional mailing costs of \$31,000. The total additional costs would be approximately \$151,000.

Board Position:

☐ S ☐ NA ☐ NP  
☐ SA ☐ O ☐ NAR  
☐ N ☐ OUA ☒ PENDING

Legislative Director

Date

Jana Howard for Brian Putler

4/9/04

This preliminary costing would not take into account any other provisions of the bill including the addition of dividends or pension income, other than U.S. Social Security pension or Railroad Retirement pension, to the 540 2EZ.

#### **LEGISLATIVE STAFF CONTACT**

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